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NRC CONSIDERS ONE-TIME FIVE-YEAR AUTOMATIC EXTENSION
OF CERTAIN MATERIALS LICENSES

The Nuclear Regulatory Commission is considering a one-time automatic extension of certain nuclear materials licenses for five years from their current expiration dates. The extension would provide time and resources for the NRC to develop a new nuclear materials licensing process that would be faster than the current process, use modern information technology, and reduce personnel resources needed for the licensing program to meet the agency's projected lower staffing levels. The aim is to maintain or raise the level of public safety achieved by the current licensing process.

The proposed one-time five-year automatic license extension and the new licensing process under development would not apply to nuclear reactors, uranium milling and processing facilities, or nuclear fuel production facilities.

In addition, those materials licenses that the Commission believes could present a relatively greater potential risk from a health and safety standpoint would not be automatically extended. A Federal Register notice published on September 8 identifies the categories of materials licenses that would not be eligible for the extension.

The Commission estimates that more than 80 percent of its 6,500 materials licenses would be extended under the proposed rule, including, for example, many hospitals that use radioactive materials for patient treatment and diagnosis, universities that use radioactive material in research, and industrial users.

The Commission believes that most materials licenses may be automatically extended once for five years without adverse effect on the public health and safety because:

- Licenses that could present a greater potential health and safety risk would continue to be reviewed and renewed in accordance with existing procedures.

- The extended licenses would provide the same authorizations and limits on licensee activities as the current ones.
- NRC will continue to inspect licensees with the same frequency as now and, if violations of NRC requirements are found, require corrective actions or issue orders that would modify, suspend or revoke the license.

The extended license would be different from a "renewed" license, which involves an NRC technical review and can include changes in current operations if requested by the licensee in its renewal application and approved by the NRC. Materials licenses are currently issued for five years, with an opportunity for renewals for five-year periods, upon licensee application and NRC approval. If a licensee applies for renewal before the license expires, the license remains in effect until the NRC acts--by approval or disapproval.

The proposed rule would automatically extend eligible licenses with expiration dates after July 1, provided a timely renewal application is received, and the NRC would refund any renewal fees submitted. The NRC staff will continue to process for renewal, rather than automatic extension, the timely applications received for licenses with expiration dates before July 1. Licensees whose license term expires soon and who have not yet submitted an application for renewal will need to submit such an application if their license expiration date occurs before the Commission issues a new rule.

The NRC is seeking public comment on the proposed five-year automatic license extension and also on the appropriate duration for materials licenses. The NRC will consider whether the current five-year duration of materials licenses is appropriate, whether various durations should be used depending on the nature of the activities permitted under the license, and whether, in view of the fact that for some types of licensed activities the industry has matured, licenses might be issued for longer periods. If the Commission decides to revise its policy on materials license duration, licensees with pending renewal applications that fulfill all regulatory requirements would be granted licenses for periods consistent with that decision.

Interested persons are invited to submit written comments by October 10 (30 days after publication of the Federal Register notice). The comments should be addressed to the Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555, Attention: Docketing and Service Branch. Comments may also be submitted through the Internet by addressing electronic mail to INTERNET:SECY@NRC.GOV or through the NRC Electronic Rulemaking Bulletin Board on FEDWORLD, as described in the Federal Register notice.